

CHAPTER 5

SECTION 108 LOAN GUARANTEES, ECONOMIC DEVELOPMENT INITIATIVE (EDI), AND BROWNFIELDS ECONOMIC DEVELOPMENT INITIATIVE (BEDI)

- 5-1 APPLICABILITY. The procedures outlined in this Chapter are applicable to the monitoring of Entitlement and eligible nonentitlement Borrowers administering activities financed by guaranteed loan funds received under the Section 108 Loan Guarantees program, and where applicable, associated grant funds received under the Economic Development Initiative (EDI) and the Brownfields Economic Development Initiative (BEDI) programs. Activities carried out under these programs are subject to the same requirements as activities carried out with grant assistance under the Community Development Block Grant (CDBG) program, unless otherwise provided for in Subpart M of the CDBG regulations (see 24 CFR 570.707). Consequently, Section 108, EDI or BEDI activities should be subjected to the same monitoring review as other CDBG activities.
- 5-2 NOTICES OF FUNDING AVAILABILITY (NOFAs). In addition to the requirements of Subpart M (beginning at 24 CFR 570.700), EDI and BEDI grants are subject to the provisions of the Notice of Funding Availability (NOFA) published in the Federal Register Notice for the fiscal year in which the grant was awarded. The published EDI and BEDI NOFAs for grants awarded between 1994 and 2004 are:
- 1994 EDI NOFA FR-3750-N-01, published August 16, 1994
 - 1994 EDI NOFA FR-3824-N-01, published December 4, 1994
 - 1995 EDI NOFA FR-3874-N-01, published February 24, 1995
 - 1996 EDI NOFA FR-4065-N-01, published July 16, 1996
 - 1996 EDI NOFA FR-4065-N-04, published September 9, 1996
 - 1998 EDI NOFA FR-4363-N-01, published April 30, 1998
 - 1999 EDI NOFA FR-4410-N-01, published February 26, 1999
 - 2000 EDI NOFA FR-4560-N-01, published February 24, 2000
 - 2001 EDI NOFA FR-4630-N-01, published February 26, 2001

 - 1998 BEDI NOFA FR-4363-N-01, published April 30, 1998
 - 1999 BEDI NOFA FR-4410-N-01, published February 26, 1999
 - 2000 BEDI NOFA FR-4560-N-01, published February 24, 2000
 - 2001 BEDI NOFA FR-4630-N-01, published February 26, 2001
 - 2002 BEDI NOFA FR-4723-N-01, published March 26, 2002
 - 2003 BEDI NOFA FR-4800-N-01, published April 25, 2003
 - 2004 BEDI NOFA FR-4900-N-01, published May 14, 2004

5-3 MONITORING MATERIALS. In addition to the guidance provided in Chapter 2 on pre-monitoring preparation, the materials listed below are critical to monitoring Section 108, EDI and BEDI activities:

- a. Copy of approved Section 108 application and any accompanying EDI or BEDI applications.
- b. Copy of Section 108 and/or EDI or BEDI application amendments.
- c. Copy of Section 108 “Contract For Loan Guarantee Assistance” and any EDI or BEDI Grant Agreements, including amendments.
- d. Copy of the applicable Notice of Funding Availability (NOFA) for EDI or BEDI Grants (as identified in paragraph 1 of the Grant Agreement).
- e. Copy of Subpart M, beginning at 24 CFR Section 570.701, and including Section 570.707 which sets forth the applicable administrative and other requirements for Entitlement, State-assisted, and nonentitlement public entities.
- f. Line of Credit Control System (LOCCS) for EDI and BEDI grants, including copies of the executed LOCCS Authorization Security Form (HUD-27054-A).
- g. For Section 108 Guaranteed loans, financial data available through the CPD Division of Financial Management at Headquarters, including copies of Advance Request letters for projects in interim financing and/or copies of offering circulars for projects in permanent financing.

Copies of documents such as the “Contract for Loan Guarantee Assistance,” “Grant Agreement,” and “applications” or “application amendments,” if not available at the Field Office, should be requested from the appropriate CPD Headquarters Office.